

Improving Court Collections

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Presented by:

Donna Beaudet, Renee Sesí and Deborah Rebh

46th District Court

Southfield, MI

#1 Goal of a Court Collection Program

- To increase and improve compliance with court orders in order to increase the integrity and credibility of the justice system.

- “A fine is a court order. If it is not paid, the integrity and the credibility of the judiciary is called into question. An uncollected fine has an impact on the offender, the criminal justice system and the community.”

(Excerpt from the *Michigan Trial Court Collections Guide*)

Implementation of a Collections Program

- Increases the credibility and integrity of the court system
- Increases revenue for the recipients of those funds

46th District Court Experience

- Tried numerous pilot collections programs but were never able to keep them going.
- COLLECT[©] program was different. It was the most flexible, cost-effective and efficient option we had tried.
- There are many ways to use the COLLECT[©] program.

46th District Court Experience Cont'd

- 46th District Court implemented a simple, straightforward program.
 - No additional staff needed
 - No messy payment plans
 - No judicial/docket time needed
 - Flexible
 - Focused on inventory of unpaid tickets

Results

- Collected \$441,312 during the period July 1, 2003 through May 31, 2004
- Collected \$322,395 during the period January 1, 2004 through May 31, 2004

Collect Software

- Created and licensed by 8th District Court, Kalamazoo
- Programmed and installed by DMC Consulting
- Integrated with JIS case management software
- Collection procedures can be customized to each court's needs
 - Generate mailers in batch
 - Setup payment plans
 - Schedule financial meetings or hearings
 - Send warrant letters

Software functions

- Flexible to use
 - Create up to 99 mailers in batch including different text
 - Create notification letters or warrant notices.
- Select cases by case type and/or date of offense for batch mailers
- Will write comment to ROA in JIS
 - Does not affect JIS notice process

Collect Reports

- Balance Due
 - Alpha listing by name and DOB of cases that have a balance due
- Show Cause Hearing
 - Alpha listing of cases with a statement generated that are ready to be set for show cause hearing

Reports Cont'd

- Monthly Audit
 - Alpha listing of cases with a statement generated and a payment received
- Money Collected
 - Detail or summary report of the amounts collected over a specified period based on either statements generated or payments made

Cost vs. benefit

■ Costs

- Software license from Kalamazoo (\$3000)
- Installation by DMC (\$1700)
- Cost of supplies (\$10000 postage, \$6000 mailers)
- Indirect cost of staff time
 - minimal time needed to generate and mail statements
- In 2003, spent approximately \$20,700

■ Benefit

- We collected approximately \$300,000

Current Issues

- User manual is incomplete and difficult to read
- DMC offers support, but not court specific
- Kalamazoo also offers support, but not court specific
- New users may have other suggestions or modification requests

Current Issues cont'd

- Software glitches that still need modifications:
 - Unable to target cases with DLRF
 - Unable to select multiple cases for an individual in batch format
 - Unable to select more than one case type per batch
 - Must continuously overwrite statement text
 - Inaccurate reports (i.e. Money Collected reports do not include all monies)

Strategy

- Identify cases
 - Which cases have greatest receivables?
 - Should mailers be sent on oldest cases?
 - Consider starting with parking tickets with 20% late fee or civil infractions that are recently suspended
 - Should courts wait until all JIS notices are sent?
- Track cases that have had statements generated
- Follow up, send statement 2
- Do not be afraid of trial and error

Main Menu

```
Session A - [24 x 80]
File Edit Transfer Appearance Communication Assist Window Help

D4600RRS                Collections System Main Menu                4/06/04 08:14:38

Select one of the following:

Maintenance:            1. Collections / Payment Plan
                        2. Statement Text

Reporting:              3. Balance Due                    13. Money Collected
                        4. Show Cause Hearing
                        5. Monthly Audit

Mailers:                6. Statement Print

Database:               7. Re-organize Collection Files
                        8. Backup to Tape
                        9. Case Address Synchronization
                       10. Name Synchronization

Quit:                  90. Signoff

Type selection, press Enter.  ==> __                Version: 3.11

F3=Exit  F6=Messages  F7=Spooled Files  F8=Submitted Jobs  F12=Previous

MA a MW 21/037
Connected to remote server/host DISTCT46 using port 23
```

System Defaults

Session A - [24 x 80]

File Edit Transfer Appearance Communication Assjst Window Help

D4600RRS COLLECT System Prompt Defaults 4/06/04 08:31:01
Type choices, press Enter.

Collection Maint - Log Freq Days in ROA . . Y ('Y'es, 'N'o)

Statement Print - Max Number to Print . . . 1000 (Number of statements)
After Appearance _____ (Number of days)
Minimum Bal Due 46.00 (Greater than or equal)
Grace Period _____ (Number of days)
Non-Plan Days _____ (Number of days)
Check Warrants W ('Y'es, 'N'o, 'W'rnt only)
Check for Show Cause . . . N ('Y'es, 'N'o)
Include Spnd Lic Fee . . . Y ('Y'es, 'N'o)
Include Case Type _____ (Blank=All)
Use JIS Stop Notice . . . N ('Y'es, 'N'o)
Check Disposition Date . N ('Y'es, 'N'o)
Days After Next Action . . _____ (Number of days)
Days After Last Stmt . . . _____ (Number of days)
Mailer Form Layout 1 (1=Name below msg text)
(2=Name above msg text)
Exclude Warrant Codes . 03 16 17 22 23 _____

F3=Exit F12=Previous

MA a MW 04/048

Connected to remote server/host DISTCT46 using port 23

System Defaults

```
Session A - [24 x 80]
File Edit Transfer Appearance Communication Assist Window Help

D4600RRS          COLLECT System Prompt Defaults          4/06/04  08:31:23
Type choices, press Enter.
Statement Print   - Exclude Charge Codes . . . _____
-continued-      _____ (Blank Includes
                  _____ All)
                  Exclude Cases Older Than _____ (MM/DD/YYYY)
                  Exclude Blank Address. . . Y          ('Y'es, 'N'o)

Balance Due Report - Report Type . . . . . 1          (1=All,2=Pay,3=Non Pay)

Show Cause Report - Number of Statements . . . 4          (Greater than or equal)

Monthly Audit Rpt - Zero Payment Summary . . N          ('Y'es, 'N'o)
                  Payment Summary . . . . . Y          ('Y'es, 'N'o)

Money Collected Rpt- Number of Days Last Stm. 999      (Number, 999=Any Stm)
                  Report Type . . . . . 2          (1=Stm, 2=Full, 3=Sum)

Database Backup   - Tape Device . . . . . TAP01          (Name)

Reporting         - All COLLECT Reports to
                  be Placed on HOLD . . . Y          ('Y'es, 'N'o)

F3=Exit  F12=Previous
All default values have been updated.

MA a MW 03/048
Connected to remote server/host DISTCT46 using port 23
```

Sample Text for Parking Statement 1

- According to our records, you have an outstanding balance for unpaid parking violation(s). Please pay the entire balance immediately. Failure to do so may result in a hold being placed on your license.

For telephone credit card payments, call 1-888-604-7888.
You will be charged a transaction fee.

You may have other violations. Please call the court to resolve all outstanding matters.

Sample Text for Parking Statement 2

- According to our records, your balance for unpaid parking violations remains outstanding. Please pay the entire balance immediately.

Failure to pay may result in this matter being turned over to a collection agency which will affect your credit report. In addition, failure to pay may result in a hold being placed on your license.

For telephone credit card payments, call 1-888-604-7888. You will be charged a transaction fee.

Conclusion

- Program is very successful
- Focus on the “big picture”
- Questions?



COLLECT[©]

Kalamazoo County District Court

Collection Overview

Collection System Main Menu

Maintenance:

1. Collections / Payment Plan
2. Statement Text

Reporting:

3. Balance Due
4. Show Cause Hearing
5. Monthly Audit

Mailers:

6. Statement Print

Database:

7. Re-organize Collection Files
8. Backup Tape
9. Case Address Synchronization
10. Name Synchronization

Collection System Main Menu

Maintenance:

1. **Collections / Payment Plan**
2. Statement Text

Reporting:

3. Balance Due
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Collections / Payment Plans



- The Kalamazoo County District Court tracks payment plans on an average of 850 cases each month using COLLECT[©].
- Approximately 80 new payment plans are entered into COLLECT[©] each month.
- Defendants with a balance of \$150.00 or more are eligible to petition for installment payments.

Collection System Main Menu

Maintenance:

1. Collections / Payment Plan
2. **Statement Text**

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Statement Text



- COLLECT[©] generates 99 progressive overdue notices with your unique messages.
- Kalamazoo County District Court statement text examples:
 - “Our records show that payment on your ticket or file is delinquent. Please pay promptly.
 - “Our records show that payment on your ticket or file is still delinquent. To avoid a bench warrant, please pay immediately.

Collection System Main Menu

Maintenance:

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Reporting:

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4. **Show Cause Hearing**
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Show Cause Hearing

- The Kalamazoo County District Court Collection Department scheduled over 4000 show cause hearings in 2003, using the COLLECT[©] generated show cause list:

- Collected over \$183,000 in revenue from show cause hearings.
- Average of over \$5,000 per show cause date.

- Current 2004 figures:

- Collected \$188,329 in revenue from show cause hearings.
- Average of \$10,462 per show cause date.



Collection System Main Menu

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5. **Monthly Audit**

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Database:

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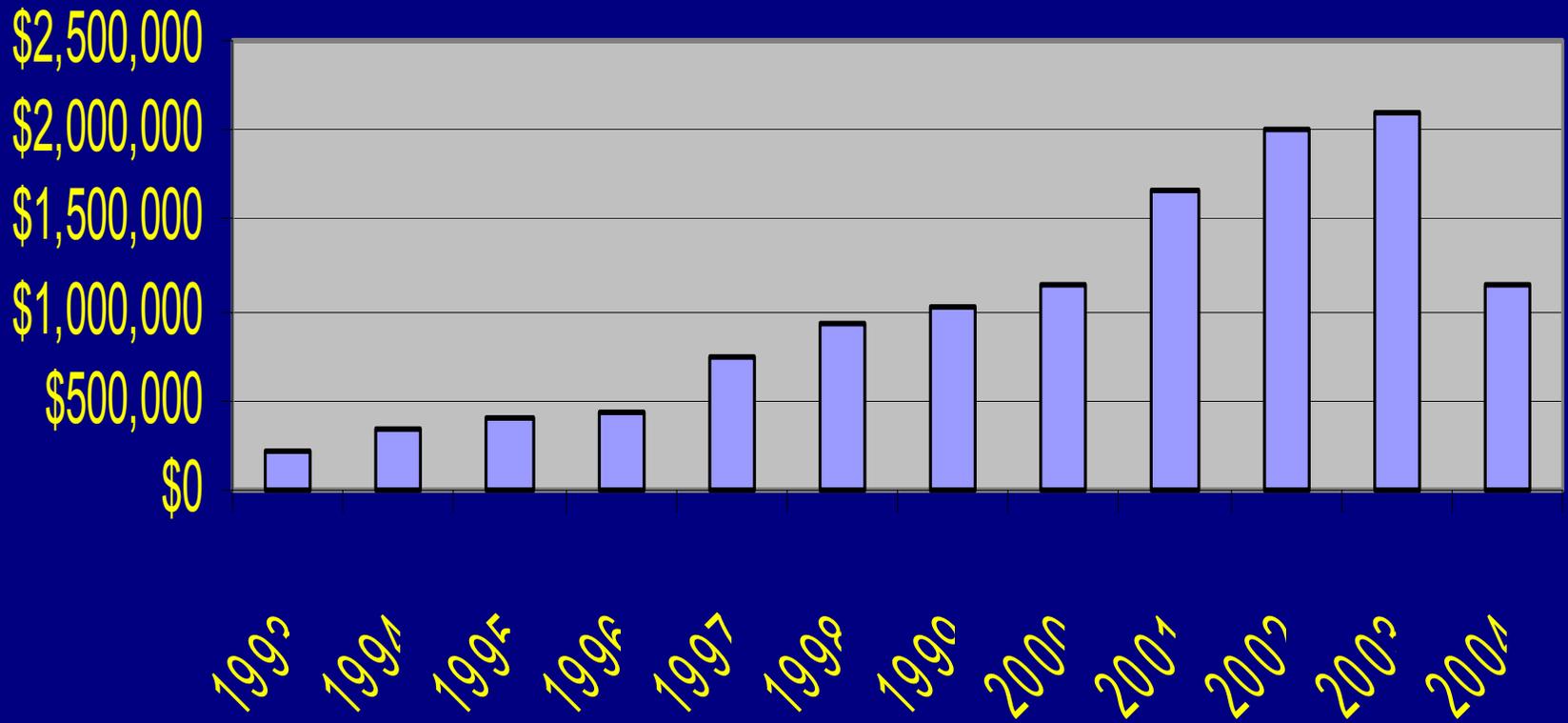
Monthly Audit

Kalamazoo County District Court Track Record

*COLLECT© software installed (1995)

| YEAR | REVENUE COLLECTED | YEAR | REVENUE COLLECTED |
|-------------|--------------------------|---------------|--------------------------|
| 1993 | \$214,294 | 1999 | \$1,003,657 |
| 1994 | \$325,596 | 2000 | \$1,153,860 |
| 1995* | \$413,599 | 2001 | \$1,668,515 |
| 1996 | \$422,586 | 2002 | \$2,006,749 |
| 1997 | \$752,055 | 2003 | \$2,091,041 |
| 1998 | \$911,053 | 2004 (5 mths) | \$1,143,983 |

Revenue Collected



Collection System Main Menu

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Mailers:

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Statement Print



- ✦ The Kalamazoo County District Court sends out overdue notices once every month.
- ✦ Defendants who do not pay after receiving a first overdue notice, will receive a second overdue notice in 30 days.
- ✦ Defendants who do not pay after receiving two overdue notices are scheduled for a show cause hearing in front of a collection officer.
- ✦ The Kalamazoo County District Court sends out an average of 1,750 overdue notices every month.

Collection System Main Menu

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Mailers:

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9. **Case Address Synchronization**
10. Name Synchronization

Case Address Synchronization

- The case address synchronization allows you to change an address on a select group of cases based on the selection criteria.
- The user simply selects the cases needing an address change and types the new address in the window that appears.
- The address is then updated on all cases that were selected, eliminating the need to make the change on each case individually.



The End

